



CHULA VISTA

MOBILEHOME PARK CLOSURE ORDINANCE UPDATE RESIDENTS STAKEHOLDERS WORKING GROUP MEETING

**Tuesday, February 27, 2007
3:00 p.m. – 5:00 p.m.**

**CHULA VISTA POLICE DEPARTMENT
COMMUNITY MEETING ROOM
315 FOURTH AVENUE
CHULA VISTA CA 91910**

MEETING NOTES

GENERAL

Prior to the discussion on the agenda items, general questions and comments were taken from attendees. Attendees asked and were provided by staff a brief overview of Chula Vista Municipal Code 9.40 and the current Mobilehome Park Overlay Zone that City Council has adopted. In addition, the following comments were provided and pertain to the mobilehome ordinance update.

Displacement

- More affordable housing is needed in the City to provide alternatives for displaced residents
- Residents want more disclosure of redevelopment/zoning
- A relocation park should be considered

FINANCIAL ASSISTANCE

The following general comments were made regarding financial assistance.

- Land owners (profiteer) should be responsible for financial assistance and the City should act as the enforcer

Mobilehome Value

Chula Vista Municipal Code 9.40 describes the value of mobilehomes to be determined by standard insurance replacement criteria. Attendees provided comment and concerns on the determination of value as summarized below.

- City should track sales to determine appraisal value
- Blue book value of mobilehome should *not* be used
- The following factors should be used in determining on-site market value:
 - Condition of trailer/mobilehome
 - Condition/quality of park and location
 - Original cost of trailer/mobilehome
- Should be looked at as a home (real property) not personal property and therefore the following factors should be considered in determining value:
 - Length of residency
 - No depreciation
 - Include improvements

Relocation Assistance

Chula Vista Municipal Code 9.40 describes relocation assistance for low- and moderate income mobilehome or trailer owner/occupants in the form of payment by the park owner of 75 percent, up to a maximum of \$3,000, of the cost of relocating the mobilehome or trailer to another mobilehome or trailer park within 100 miles. It further defines a "Mobilehome resident" or "Resident" as a person who occupies a mobilehome in a mobilehome park in the City of Chula Vista as a primary residence by virtue of having a rental agreement. "Mobilehome resident" or "Resident" is inclusive of a mobilehome owner. Attendees provided comment and concerns regarding the current assistance as summarized below.

- Relocation alternatives should be comparable in order for park to close
- Subsidize increased rent
- Must differentiate between but address renters versus owners
- Cost differential between current and alternative rent should be provided

NOTIFICATION

The following comments were provided regarding park closure notification.

- Residents should be provided with a minimum of two (2) years notice
- Notification should correlate to the amount of assistance provided since it is easier to move if a fair amount is given

RIGHT OF FIRST REFUSAL

Chula Vista Municipal Code 9.60 identifies that any resident organization entitled to notice of a listing of a mobilehome park for sale or notice of any offer to sell the park to any party, pursuant to Civil Code Section 798.80, shall have the right to purchase the park. Civil Code Section 798.80 provides further definitions of the rights and restrictions. The following comments were provided regarding this issue.

- State has a number of proposed laws
- Finding financing is difficult
- Residents cannot make park owner's sell



CHULA VISTA

MOBILEHOME PARK CLOSURE ORDINANCE UPDATE OWNERS STAKEHOLDERS WORKING GROUP MEETING

Thursday, March 1, 2007

1:30 p.m. – 3:30 p.m.

**CHULA VISTA POLICE DEPARTMENT
COMMUNITY MEETING ROOM
315 FOURTH AVENUE
CHULA VISTA CA 91910**

MEETING NOTES

GENERAL

Prior to the discussion on the agenda items, general questions and comments were taken from attendees. The following comments were provided and pertain to the mobilehome ordinance update.

Viability of Mobilehome/Trailer Parks

Attendees discussed the difference between parks that are still viable and those that should potentially change uses.

- Some trailer parks and older mobilehome parks have outlived their current use and provide a health and safety threat to residents
 - May contain coaches/trailers that have no resale value and only value that remains is in the park
 - In some cases the replacement of the unit is not viable since park spaces are too narrow for new coaches and therefore it may not be economically feasible to upgrade park

FINANCIAL ASSISTANCE

The following general comments were made regarding financial assistance.

- If too many restrictions are placed on the conversion it may devalue property
- City should provide substantial subsidy since mobilehome parks have been restricted as an affordable housing option

- A relocation park should be considered
 - May not be politically viable or accepted by surrounding communities

Mobilehome Value

Chula Vista Municipal Code 9.40 describes the value of mobilehomes to be determined by standard insurance replacement criteria. Attendees provided comment and concerns on the determination of value as summarized below.

- Value of the mobilehome/trailer should be calculated based on an objective factor but take into consideration the value of being in the park
 - Mobilehome occupant should not be entitled to the value of the property
- Possibly use a fair market value based on an appraisal of comparables
 - Take into consideration the structure age, condition and useful life
- Should not be insurance driven
- Value needs to be defined early for everyone

Relocation Assistance

Chula Vista Municipal Code 9.40 describes relocation assistance for low- and moderate income mobilehome or trailer owner/occupants in the form of payment by the park owner of 75 percent, up to a maximum of \$3,000, of the cost of relocating the mobilehome or trailer to another mobilehome or trailer park within 100 miles. It further defines a "Mobilehome resident" or "Resident" as a person who occupies a mobilehome in a mobilehome park in the City of Chula Vista as a primary residence by virtue of having a rental agreement. "Mobilehome resident" or "Resident" is inclusive of a mobilehome owner. Attendees provided comment and concerns regarding the current assistance as summarized below.

- Assistance should *not* include a subsidy of difference in current rent versus new housing since rent control has afforded them a below market rent
- A relocation park should be considered
- Assistance should be provided based on income plus an assets factor
- Financial assistance to relocate the unit should be based on unit size

NOTIFICATION

The following comments were provided regarding park closure notification.

- City ordinance should mirror/comply with state law
- Should determine whether notification has to occur before or after relocation plan is approved, this may influence other actions
- Parks do not want to notify residents unless they know the park is going to close

RIGHT OF FIRST REFUSAL

Chula Vista Municipal Code 9.60 identifies that any resident organization entitled to notice of a listing of a mobilehome park for sale or notice of any offer to sell the park to any party, pursuant to Civil Code Section 798.80, shall have the right to purchase the park. Civil Code Section

798.80 provides further definitions of the rights and restrictions. The following comments were provided regarding this issue.

- State and case law restrict this issue
- Difficult to determine acceptable offer from tenant association when offers are often in cash plus a percentage of future profit/value
- Property owner should have option, therefore City should not include in ordinance
- City should not restrict beyond current state law



CHULA VISTA

MOBILEHOME PARK CLOSURE ORDINANCE UPDATE PUBLIC MEETING

**Tuesday, March 6, 2007
6:00 p.m. – 8:00 p.m.**

**CHULA VISTA POLICE DEPARTMENT
COMMUNITY MEETING ROOM
315 FOURTH AVENUE
CHULA VISTA CA 91910**

MEETING NOTES

FINANCIAL ASSISTANCE

Mobilehome Value

Chula Vista Municipal Code 9.40 describes the value of mobilehomes to be determined by standard insurance replacement criteria. Attendees provided comment and concerns on the determination of replacement value versus fair market value as summarized below.

Replacement Value

- Value depends on the type of insurance and coverage amount
- Would this be the fire insurance replacement value?

Fair (On-Site) Market Value

- Real Estate Appraisal
- Pre-closure value (while occupied)
- Survey other parks for comparables (find homes of same age, size and condition)
- Establish comparables in each park now
- Possibly average out value

Relocation Assistance

Owners

Chula Vista Municipal Code 9.40 describes relocation assistance for low- and moderate income mobilehome or trailer owner/occupants in the form of payment by the park owner of 75 percent, up to a maximum of \$3,000, of the cost of relocating the mobilehome or trailer to another mobilehome or trailer park within 100 miles. It further defines a "Mobilehome resident" or "Resident" as a person who occupies a mobilehome in a mobilehome park in the City of Chula Vista as a primary residence by virtue of having a rental agreement. "Mobilehome resident" or

“Resident” is inclusive of a mobilehome owner. Attendees provided comment and concerns regarding the current assistance as summarized below.

- Assistance should be commensurate with income
- Cover relocation 100% plus downpayment costs for new space
- Mortgage Factor
- Actual cost/time
- Receive moving company estimate
- Owner should pay full cost
- Meals or kitchen costs included in per diem
- Subsidize increased rent over the annual permissive if moving outside of rent controlled area
- Fund gap in subsidy through a grant program or Housing Assistance Fund

Renters

As identified above Chula Vista Municipal Code 9.40 defines and describes assistance for mobilehome owners and does not provide assistance for occupants renting mobilehomes. The following comments were provided regarding relocation assistance for renters.

- Renter’s replacement cost should include new rent and any downpayments required
- Provide gap funding to subsidize the increased rent of the replacement housing

NOTIFICATION

Attendees were asked to identify the number of months or years they thought mobilehome residents should be notified prior to a closure. The following table summarizes the results.

Period of Time to be Noticed	Number of Attendees Voting for Option
6 months	0
18 months	0
30 months	0
1-4 years	4
2-7 years	6
3-6 years	5
5-10 years	10

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- Should offer to residents regardless of tenant association status

- Allow a 30 day grace period for tenants to organize and register as an association
- Provide opportunity of first right of refusal regardless of type of sale (private or change of use)
- Provide a total of 60 days to meet sales price and a minimum of 90 days to arrange financing
- Difficult to determine acceptable offer from tenant association when offers are often in cash plus a percentage of future profit/value
- Disclosure to incoming tenants/buyers should be required

TRANSLATED COMMENTS

The following comments were provided in Spanish and translated for this document.

- Replacement housing should be provided close to shops/services
- Final benefits should be a Binding Agreement not a recommendation of assistance
- Person/entity benefiting from conversion should be required to pay relocation assistance and distribute some profit back to displaced residents